



COMMONWEALTH OF KENTUCKY  
OFFICE OF THE SECRETARY OF STATE  
ALISON LUNDERGAN GRIMES

February 20, 2017

Joan Graham, CPPO, CPPB  
Executive Director  
Kentucky Finance and Administration Cabinet  
702 Capitol Avenue  
Capitol Annex Room 096  
Frankfort, Kentucky 40601

Dear Ms. Graham,

Please accept this correspondence and the attached letter, on behalf of the Kentucky State Board of Elections, for your review and determination that CyberScout/Nordic Innovations is a sole source provider as it relates to elections cyber security.

Pursuant to KRS 45A.095 (1), [s]ole source is a situation in which there is only one (1) known capable supplier of a commodity or service, occasioned by the unique nature of the requirement, the supplier, or market conditions." CyberScout/Nordic Innovations exceed by far these statutory provisions as it relates to elections cyber security.

Upon your review of the attached letter, I anticipate that you will agree CyberScout/Nordic Innovations possess an expertise in elections cyber security that is unmatched by any other cyber security firm.

As you are well aware, cyber security in elections has been a topic of debate leading up to and *after* the 2016 Presidential Election cycle. This year, 2017, is a non-election year in the Commonwealth of Kentucky – thus, there is no time like the present for CyberScout/Nordic Innovations, a firm uniquely qualified in elections security processes, to be deemed a sole source. Such determination allows us to begin building upon the Kentucky State Board of Elections' great successes and strengths as we move towards Kentucky's future election cycles.

Thank you for your time in this matter. I am happy to answer any questions you may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Lindsay H. Thurston".

Lindsay H. Thurston  
Assistant Secretary of State



COMMONWEALTH OF KENTUCKY  
**OFFICE OF THE SECRETARY OF STATE**  
ALISON LUNDERGAN GRIMES

March 7, 2017

Joan Graham, CPPO, CPPB  
Executive Director  
Kentucky Finance and Administration Cabinet  
702 Capitol Avenue  
Capitol Annex Room 096  
Frankfort, Kentucky 40601

Dear Ms. Graham,

Thank you for the opportunity to provide additional information and research as to why CyberScout/Nordic Innovations is the only entity that can meet the Commonwealth of Kentucky's needs as it relates to the security and integrity of our elections.

Please see the attached letter from CyberScout/Nordic Innovations providing additional information and an explanation of cost.

In addition to the unique capabilities of this proposed team, there is certainly an urgency for the Commonwealth of Kentucky to ensure that its voter rolls remain private and its voting process is reviewed for continued security. In light of the recent well-publicized compromises of Arizona and Illinois voter rolls by what appear to be attacks from foreign entities, the Commonwealth of Kentucky must be prepared and well-equipped. In fact, just this past weekend, a successful hack of Georgia's Center of Elections Systems was reported, potentially compromising voter rolls in that state. Allegations of voter fraud in California and New Hampshire after the November 2016 election further raise the stakes for all states to continue to build confidence in their voter processes before the next election cycle in 2018.

According to our research, because of their specific experience in elections, CyberScout/Nordic Innovations is the only cybersecurity firm that can well position Kentucky as we move forward.

Thank you for your time in this matter. I am happy to answer any questions you may have.

Finance and Administration  
Office of Procurement Services  
APPROVED  
*Jean Graham*

Sincerely,

A handwritten signature in black ink, appearing to read "Lindsay Hughes Thurston".  
Lindsay Hughes Thurston  
Assistant Secretary of State

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March 7, 2017

Office of Procurement Services  
Commonwealth of Kentucky  
702 Capital Avenue  
Room 096  
Frankfort, Kentucky 40601

**Dear Office of Procurement Services:**

This correspondence is intended to provide justification for the decision to sole-source the contracting of an elections security audit and assessment project to advise the Kentucky State Board of Elections on how best to ensure the security and privacy of its election processes and election data, now and in the future.

After reviewing the Kentucky State Board of Elections' needs, CyberScout and Nordic Innovations Labs realize they can assemble one team that can deliver a unique elections security and audit assessment solution. Together, the team brings a set of capabilities to the effort that simply will not be identified in any other firm or team. These capabilities include:

- A highly-regarded expert in the exact type of voting elections technology that Kentucky utilizes in its elections in its 120 counties, as well as the specific attacks that can lead to disruptions or inaccuracies in the voting process. This expert was able to hack voting machines in Ohio and Florida during testing, altering vote counts in several different previously undiscovered ways and garnering national recognition. The expert's level of industry experience is unmatched.
- A group that protects 770,000 organizations in the public and private sector from having their identity information breached. This kind of experience brings unique abilities to identify and fix the issues with how Kentucky protects the privacy of its voter rolls.
- An expert in auditing of voting processes who has participated in post-election review processes in a number of states, including Colorado, Connecticut, and Florida, and has advised the Secretary of State's office of California on best auditing practices. This expert's firm submitted expert witness testimony as to voting machine security for the recounts conducted in Pennsylvania, Michigan, and Wisconsin for the 2016 election.

- A privacy expert with elite credentials in guiding change to processes and systems in such a way that security issues are not introduced during periods of change, as Kentucky hopes to do over the next year.

Ours is a small team with limited overhead, and the skillset we bring is a unique fit with what Kentucky needs. Our team is ready and equipped to respond immediately to tackle this important and necessary endeavor.

Kentucky's elections security audit and assessment has four primary objectives:

Objective	Unique capability
1) Determining and mitigating the risks in how the Kentucky State Board of Elections protects the identities of its registered voters.	Eric Hodge leads the Consulting Practice at CyberScout, a firm that protects identity of more organizations in public and private sectors than any other. Together with Harri Hursti and Margaret McAlpine from NordicLabs, the team's government experience includes the Commonwealth of Massachusetts, and voter privacy work in Ohio and California during recent elections.

<p>2) Identifying and recommending actions to mitigate the shortcomings in the security of the voting process. These actions are likely to include changes to process, oversight, and potentially configuration of the voting machines and systems. The focus will be on improving awareness about the known weaknesses of the systems and putting controls in place to limit the risk that these weaknesses present.</p>	<p>Our team's voting infrastructure expert, Harri Hursti, has unmatched experience with the very voting infrastructure that the Commonwealth of Kentucky uses. Mr. Hursti is one of the most highly regarded consultants in the world in the field of detecting security vulnerabilities in the voting machines and systems that are in use across the Commonwealth of Kentucky. He was awarded the prestigious EFF Pioneer Award (an annual prize presented by the Electronic Frontier Foundation for people who have made significant contributions to the empowerment of individuals in using computers) for his work with voter security in 2009.</p>
<p>3) Reviewing whether the data integrity and attribution of votes is sufficient enough that the risk of inaccuracy in post-election recounts and audits will be limited. This will include ensuring that the technical, procedural, and organizational controls surrounding the validity of the vote counts and the votes themselves are sound and suggesting remediation where there is room for improvement. The aim is to ensure that the process from selection of an option in the voting both to having a reviewable and reliable data set of voter outcomes is sound.</p>	<p>Our team's elections technology auditing expert, Margaret McAlpine has performed audits in CO, FL, and CT and advised the Secretary of State of CA to help them assure the accuracy of their machines. Nordic Innovation Labs submitted expert witness testimony for the 2016 recounts in PA, MI, and WI.</p>

<p>4) Advising the Kentucky State Board of Elections on security and privacy risks inherent in its new voter-related initiatives as they are deployed in 2017. For example, in 2017 the Kentucky State Board of Elections will deploy electronic poll books statewide. Our team will effectively assist with the security and integrity of this deployment. The team has implemented components of ePollbooks and has reviewed security controls for a number of ePollbooks instances.</p>	<p>Our thought-leader in Privacy, Lisa Berry-Tayman, carries the prestigious Fellow in Privacy credential and years of success in guiding change to processes and systems that ensure outstanding security.</p>
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No other team possesses such focused expertise in elections security and auditing to adequately consider and address elections processes in the Commonwealth of Kentucky. The infrastructure involved in the voting process is very different from traditional network infrastructure, and properly ensuring its security requires the sort of specialized expertise that is not found in general IT risk and audit firms.

Moreover, our expertise will assist the Kentucky State Board of Elections in providing consistency and continuity across the full scope of the project. Using a single team for all four of these interconnected objectives will allow the Kentucky Board of Elections to receive the best possible advice from beginning to end. For example, risks identified during the identity protection and voter security phases will inform decisions that will need to be made later in the year, as the Kentucky Board of Elections rolls out new initiatives, like ePollBooks, real-time elections tracking, and voter outreach.

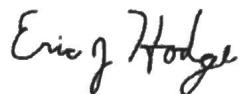
Having performed similar work in other states, the team estimates that the fees and duration of the effort to meet each objective would be:

Objective	Estimated Fees	Duration
1 – Voter roll privacy	\$78,000	8 weeks
2 – Feasibility study for election technology security	\$150,000	9 weeks
3 – Auditing election systems to increase confidence in results	\$40,000	4 weeks
4 – Advising on maintaining security during planned changes in 2017	\$36,000	Ongoing over the course of 2017
<b>TOTAL</b>	<b>\$304,000</b>	

However, the team will need to understand the scope and complexity of Kentucky's election technology and processes before committing to fees and timing.

We are eager to provide more information or examples regarding our experience and abilities. Thank you for your consideration.

Sincerely,



**Eric Hodge**  
Director of Consulting, CyberScout